

REMARKS

Claim 15 has been cancelled. Claims 1, 16, and 19-23 have been amended to clarify the subject matter regarded as the invention. Claims 1-14 and 16-23 are pending.

The Examiner has rejected Claim 1 under 35 U.S.C. §112, first paragraph. Claim 1 has been amended in a manner believed to overcome the Examiner's rejection of Claim 1 under 35 U.S.C. §112, first paragraph.

The Examiner has also rejected Claims 1-14 and 16-23 under 35 U.S.C. §103(a) as being unpatentable over French et al in view of Li et al in further view of *In re Venner*. The rejection is respectfully traversed. With respect to Claim 1, the Examiner has acknowledged that French does not disclose that two solutions are generated at the close of the auction. Li describes a scheme in which a buyer can choose whether to impose **private buyer constraints** in determining an optimal award schedule. (Li at [0062]). Li teaches "business rule" buyer constraints "for example, when there exists a pre-existing contract with a supplier that requires the buyer to award the supplier a predetermined amount of business" and constraints based on desirability of a particular supplier. (Li at [0063]). "For example, a particular supplier may have a reputation for unreliability. Another supplier may be in a state of near insolvency. The buyer may wish to weigh such factors in awarding bids." (Id.). In Li, "once the buyer has defined a scenario by imposing (or alternatively, choosing not to impose) the private buyer constraints ... [t]he optimization process optimizes an objective function subject to the buyer constraints." (Li at [0064]). Allowing the buyer to choose whether to impose private buyer constraints is not, upon completion of bidding, "determining a first optimal solution," "iteratively reducing or increasing the number of suppliers," and "generating at least a second optimal solution having the reduced or increased number of suppliers" as recited in amended Claim 1. Support for the amendment can be found, without limitation, on page 6 of the Specification. Therefore, Claim 1 is believed to be allowable.

Claims 2-14 depend from Claim 1 and are believed to be allowable for the same reasons described above.

Independent Claims 16 and 19 also recite determining, upon completion of bidding, "a first optimal solution," "iteratively reducing or increasing the number of suppliers," and

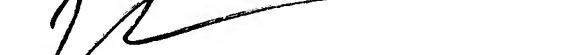
"generating at least a second optimal solution having the reduced or increased number of suppliers." Therefore, independent Claims 16 and 19 are believed to be allowable. Claims 17-18 depend from Claim 16 and Claims 20-23 depend from Claim 19, and are believed to be allowable for the same reasons described above.

The foregoing amendments are not to be taken as an admission of unpatentability of any of the claims prior to the amendments.

Reconsideration of the application and allowance of all claims are respectfully requested based on the preceding remarks. If at any time the Examiner believes that an interview would be helpful, please contact the undersigned.

Respectfully submitted,

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